



JUL -7 2005

The Honorable Bill Owens
Governor of Colorado
136 State Capitol
Denver, Colorado 80203-1792

Dear Governor Owens:

It is with pleasure that I respond to the State of Colorado's request for waivers of statutory and regulatory requirements under the Workforce Investment Act (WIA). This action is taken under the Secretary's authority to waive certain requirements of WIA Title I, subtitles B and E and Sections 8-10 of the Wagner-Peyser Act. In the Strategic State Plan for Title I of the Workforce Investment Act and the Wagner-Peyser Act for the two-year period, July 1, 2005, through June 30, 2007, the state submitted two waiver requests. The requests are written in the format identified in WIA Section 189(i)(4)(B) and 20 CFR 661.420(c), and appear to meet the standard for approval at 20 CFR 661.420(e). The following is the disposition of the state's waiver submission (copy enclosed).

Requested Waiver 1: Extension of the waiver to increase the transfer authority of Local Workforce Investment Boards from the current 20 percent to 40 percent for Adult and Dislocated Worker funds.

This request for continued funds transferability is consistent with one of the improvements that the Administration is seeking in the reauthorization of the Workforce Investment Act—the consolidation of the WIA Adult, WIA Dislocated Worker and Wagner-Peyser Act (Employment Service) funding streams. Accordingly, the state is granted an extension of the waiver of the funds transfer limitation at WIA Section 133(b)(4), through June 30, 2007. The waiver allows the state to approve local area requests to transfer up to 40 percent of local area allocations between the WIA Adult and Dislocated Worker programs.

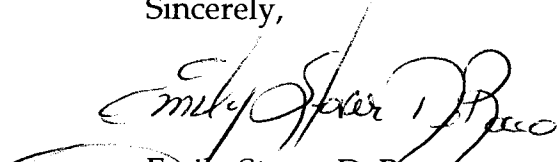
Requested Waiver 2: Extension of the waiver of the WIA Section 123 requirement to competitively select providers of the three youth program elements: 1) paid and unpaid work experience, including internships and job shadowing; 2) supportive services; and 3) follow-up services for not less than 12 months after the completion of participation.

The state seeks an extension of this waiver to continue to provide holistic and sequential services to youth with minimal disruption. Accordingly, the state is granted an extension of this waiver through June 30, 2007.

As provided for under paragraph 3 of the executed Agreement, the approved waivers are incorporated by reference into the state's WIA Grant Agreement. A copy of this letter should be filed with the state's WIA Grant Agreement and the state's Strategic Plan, as appropriate.

We look forward to continuing our partnership with you and achieving better workforce investment outcomes. We are prepared to entertain other state and local level waiver requests that you may wish to submit, consistent with the provisions of the WIA statute and regulations.

Sincerely,



Emily Stover DeRocco

Enclosure